International Seabed Authority ISBA/21/C/14

Council

Distr.: General
6 July 2015

Original: English

Twenty-first session
Kingston, Jamaica
13-24 July 2015

Election to fill a vacancy on the Legal and Technical Commission in accordance with article 163, paragraph 7, of the United Nations Convention on the Law of the Sea of 10 December 1982

Note by the Secretary-General

1. The Council of the International Seabed Authority is invited to note that Domenico Da Empoli (Italy), member of the Legal and Technical Commission, has resigned, owing to health reasons. Mr. Empoli was elected as a member of the Commission on 21 July 2011 (see ISBA/17/C/21, para. 18), for a term of five years beginning 1 January 2012.

2. In accordance with article 163, paragraph 7, of the United Nations Convention on the Law of the Sea of 10 December 1982 and rule 80, paragraph 3, of the rules of procedure of the Council, in the event of the death, incapacity or resignation of a member of the Commission prior to the expiration of the term of office, the Council shall elect for the remainder of the term a member from the same geographical region or area of interest.

3. Article 163, paragraph 3, of the Convention and rule 81 of the rules of procedure of the Council provide that members of the Commission shall have appropriate qualifications in the area of competence of the Commission and that States parties shall nominate candidates of the highest standards of competence and integrity with qualifications in relevant fields, so as to ensure the effective exercise of the functions of the Commission.

4. By a note verbale dated 2 July 2015, the Permanent Representative of Italy to the United Nations informed the secretariat of the Authority of the nomination of Marzia Rovere, as a candidate to fill the vacant seat on the Commission. The curriculum vitae of Ms. Rovere is contained in the annex to the present note.

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Annex

Curriculum vitae*

Personal information

First name(s)/ Surname(s)	**Marzia Rovere**
Address(es)	Home: 46, Viale Masini, 40126, Bologna, Italy
	Office: 101, Via Gobetti, 40129, Bologna, Italy
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E-mail	m.rovere@ismar.cnr.it
Website	www.ismar.cnr.it/people/rovere-marzia
	http://scholar.google.com/citations?user=4NNiCTwAAAAJ&hl=en
Nationality, Gender	Italy, Female
Date of birth	4 December 1974

Resumé

Laurea cum laude in Geology (1999), Ph.D. in Earth Sciences (2002), University of Bologna. Research scientist at the National Research Council since November 2009. Since the start of her career she has devoted herself to marine geology and has participated in 30 oceanographic cruises, both in the oceans and in the Mediterranean Sea for scientific purposes and offshore industrial exploration. She served as co-chief scientist in a number of them. She began investigating the deep oceanic crustal structure through multichannel seismic reflection methodology and later on, she applied the acquired skills to the marine cartography of the Adriatic Sea. She designed and finalized the five cartographic sheets of the Adriatic Sea (NK33-5 Pescara, NK33-1/2 Ancona, NK33-8/9 Bari, NL33-7 Venezia, NK33-6 Vieste), scale 1:250.000 and wrote the explanatory notes. More recently, she has been studying deep-sea depositional systems, mass-transport complexes along continental slopes of the Central Mediterranean area, cold seep and hydrothermal systems and she is using seafloor mapping as a tool to quantify the geological hazard (landslides, volcanoes and earthquakes) at sea and for this reason she is the leader of the CNR TA.P05.022 task, geomorphology of the continental margins. Her interests are focused also on the definition of the Mesozoic Eurasia-Africa plate boundary in the SW Iberia offshore; in the gross-scale study of tectonic structures in foreland geodynamic contexts; in the geological characterization of potential submarine tsunami sources. She is now also involved in the exploration and

* Curricula vitae are issued without formal editing.

quantification of marine georesources (hydrothermal iron-oxyhydroxides, enriched sediments beneath hydrothermal plumes, Fe–Mn oxyhydroxide phases at cold seeps, deep sea ferromanganese crusts, hydrous Fe and Mn oxides, Cobalt-rich Fe–Mn crusts at the seamounts and massive sulphides) with the aim of building an interoperable database infrastructure of the marine Raw Materials in the Italian seas and for a sustainable seabed mining. For this purpose she is now leading an action on marine resources under the umbrella of the RITMARE project, a national flagship program funded by the Italian Ministry of Research and Education. She is coordinating a project funded by Regione Puglia for the assessment of the offshore sand deposits for beach nourishment along the Apulian coast.

She is also interested in data sharing and geo-data bases on a European Union scale. She is coordinating the Italian participation in the EMODnet Bathymetry project of the Directorate-General for Maritime Affairs and Fisheries, towards an accessible and sustainable digital mapping of the European sea-beds. She participated in several European Union projects (Framework Programme and European Science Foundation) and other national programmes such as PRIN, APAT and DPC; she also worked for projects funded by consortia of oil companies and public stakeholders.

She is adviser of several undergraduate, M.Sc. and Ph.D. projects. She often participates in initiatives related to Citizen Science. She is author and co-author of several Institute for Scientific Information) articles. She is a member of the General Bathymetric Charts of the Oceans (GEBCO) Technical Sub-Committee and she has been recently appointed as member of the joint International Oceanographic Commission-International Hydrographic Office (IOC-IHO) GEBCO Guiding Committee. She is thus the GEBCO representative in several venues and events, such as at the Eastern Atlantic Hydrographic Commission.

Occupational field	Marine Geology and Geophysics
Work experience	
Dates	2008-now Consiglio Nazionale delle Ricerche (CNR)
Occupation or position held	Research scientist
Main activities and responsibilities	Applied and basic research, fund rising, project proposals and management
Name and address of employer	Istituto di Scienze Marine (ISMAR)-CNR, 101, Via P.Gobetti 40129 Bologna Italy
Type of business or sector	Research
Dates	2007-2008
Occupation or position held	Multibeam/Side Scan Sonar/Sub-bottom operator during cable survey
Main activities and responsibilities	Acquisition and Processing of marine geophysical data, interpretation, charts production

Name and address of employer	MSS International, Unit 1E — Block 71, The Plaza Park W Business Park Nangor Road, Dublin 12, Ireland
Type of business or sector	Offshore-consultancy (Clients: Telepost-Tele Greenland; Hybernia; Elettra)
Dates	2003-2007
Occupation or position held	Research Assistant
Main activities and responsibilities	Acquisition and Processing of marine geophysical/geologic data, interpretation, analysis and management of data in a geographic information system-based environment, drawing up of reports and chart description
Name and address of employer	Istituto di Scienze Marine (ISMAR)-CNR, 101, Via P.Gobetti 40129 Bologna Italy
Type of business or sector	Marine Cartography
Dates	July 2006
Occupation or position held	Multibeam/Side Scan Sonar/Sub-bottom operator during geothermal energy explorative survey
Main activities and responsibilities	Acquisition and data interpretation in a volcanic marine area
Name and address of employer	PRAMA s.r.l. 5, Piazza Stamina, 60100 Ancona, Italy
Type of business or sector	Offshore consultancy (Client: Eurobuilding)
Education and training	
Dates	1998
Title of qualification awarded	SOCRATES-Mercator diploma
Principal subjects/ occupational skills covered	Paleoceanography and Climate
Name and type of organisation providing education and training	University of Kiel, Germany Das Leibniz-Institut für Meereswissenschaften an der Universität Kiel (IFM-GEOMAR)
Level in national or international classification	SOCRATES-Mercator diploma
Dates	1999

Title of qualification awarded	Graduation in Geology
Principal subjects/ occupational skills covered	Geology
Name and type of organisation providing education and training	University of Bologna, Italy Earth and Geological-Environmental Sciences Department
Level in national or international classification	110/110 cum laude
Dates	1999-2000
Principal subjects/ occupational skills covered	Multichannel seismic processing
Name and type of organisation providing education and training	Das Leibniz-Institut für Meereswissenschaften an der Universität Kiel (IFM-GEOMAR)
Level in national or international classification	6-weeks-stage at the IFM-GEOMAR) within the European Union IV Frame Programme of Training and Mobility of Researchers (TMR). Training in seismic processing with software Kirkpack
Dates	2000
Principal subjects/ occupational skills covered	Marine Geophysics
Name and type of organisation providing education and training	University of Southampton, United Kingdom Southampton Oceanography Center (SOC)
Level in national or international classification	3-weeks-stage at the SOC in the framework of the European Union IV Frame Program Access to Research Infrastructure, HPRI-CT-1999-00047, training in processing and interpretation of sonar data acquired by Towed Ocean Bottom Instrument (TOBI)
Dates	2001
Principal subjects/ occupational skills covered	Marine Geophysics
Name and type of organisation providing education and training	IFM-GEOMAR Das Leibniz-Institut für Meereswissenschaften an der Universität Kiel

Level in national or international classification	4-weeks-stage at IFM-GEOMAR in the frame of the European Union V Frame Programme Improving Human Potentials (IHP), Marie Curie Actions). Processing (pre-stack depth migration) and interpretation of deep seismic data
Dates	2002
Title of qualification awarded	Ph.D. in Earth Sciences
Principal subjects/ occupational skills covered	Marine Geology and Geophysics; Iberian Atlantic margin; Eurasia-Africa plate boundary; tsunami seismogenic sources; seismic hazard assessment
Name and type of organisation providing education and training	University of Bologna, Italy Earth and Geological-Environmental Sciences Department
Dates	2009
Title of qualification awarded	HIPS & SIPS 7.0 training course diploma
Principal subjects/ occupational skills covered	Multibeam and backscatter data processing
Name and type of organisation providing education and training	CARIS BV
Dates	2010
Title of qualification awarded	SIS EM710-3002 Operator course diploma
Principal subjects/ occupational skills covered	Multibeam and backscatter data acquisition
Name and type of organisation providing education and training	Kongsberg Maritime

Personal skills and competences

Mother tongue(s) Italian

Other language(s)

Self-assessment	**Understanding**		**Speaking**		**Writing**
European level (*)	Listening	Reading	Spoken interaction	Spoken production	
English	C2	C2	C2	C2	C2
Spanish	B1	B1	B1	B1	B1
French	B1	B1	B1	B1	B1

(*) Common European Framework of Reference for Languages.

Organizational skills and competences

She participated in redacting proposals of then funded Research European projects (FP, ESF, IPA, EMODNet) among them BIGSETS, SWIM, ESONET, EMODNet Seabed Mapping, Hydrography and Bathymetry, H2020 VRE E-BISS and national programs, such as PRIN and FIRB, MaGIC (Marine Geohazards Along the Italian Coasts), CARG (Italian Geological mapping). She has been in charge of producing deliverables, writing project reports and the organization of workshops. She is used to give talks in front of the audience. She is used to work in challenging situations such as on board marine vessels and in the field. She is in charge of several tasks, WP and actions in the frame of different projects, among them: MaGIC (Marine Geohazards along the Italian Coasts) www.magicproject.it, EMODNet Bathymetry http://portal.emodnet-hydrography.eu/, Ritmare www.ritmare.it, CARG www.isprambiente.gov.it/Media/carg/index_marine. html.

1998-2001 Participation in the European Union BIGSETS project (Big Sources of Earthquakes and Tsunamis in SW Iberia), IV frame programme.

2000-2002 Participation in the MURST Cofin 40% project: Struttura ed evoluzione del margine atlantico sud-iberico: tettonica neogenico-recente ed interazione con le porzioni esterne dell'Arco di Gibilterra mediante indagini di sismica a riflessione superficiale e profonda.

2000-2003 Participation in the ESF-Euromargins SWIM project (Earthquake and Tsunami hazards of active faults at the South Iberian Margin: deep structure, high-resolution imaging and paleoseismic signature). Participation in the European Union ESONET project European Seafloor Observatory Network (ESONET), V frame programme.

2003-2011 Participation in the national APAT-CARG marine cartography project: "Cartografia Geologica dei Mari Italiani alla scala 1:250.000", she is in charge of the preparation, design and writing of the accompanying notes of the 5 sheets of the Adriatic Sea.

2008-2012 She is in charge of the operations at sea and the scientific/technical support for the 10 Tyrrhenian sheets that are the deliverables of the MaGIC project

(Marine Geohazards along the Italian Coasts) to be realized by ISMAR UOS Bologna.

2009-2013 Task leader of the TA.P05.022 "Geomorfologia dei margini continentali per la mitigazione dei rischi geologici".

2010 Participated in the drafting of the proposal Ocean World "Ocean deepwater multi-purpose offshore platforms for an innovative and sustainable World" for the FP7-OCEAN-2011 call, coordinated by Nadia Pinardi, University of Bologna.

2010-now She is leading the ISMAR contribution to the EU tender pilot project EMODNet (European Marine Observation and Data Network), Hydrography, Seabed Mapping, Bathymetry, 1° and 2° phases, coordinated by MARIS. Regional coordinator for the creation of the 250-m-resolution DTM of the European Seas. She is participating in the SLOPES and PRAACS (Predicting Reservoir Architectures in Deepwater Settings) programmes funded by a consortia of oil companies and coordinated by the University of Aberdeen.

2012 ISMAR PI for the proposal PRIN 2010-2011 GeSIC project coordinated by Università di Milano Bicocca. ISMAR PI for the proposal ODEON (Open Data Exchange and Organisation Network) call FP7-SCIENCE-IN-SOCIETY-2012-1 Part 5, coordinated by Miguel Ángel Sicilia, Universidad de Alcalá de Henares, Spain. ISMAR PI for the proposal IPA CBC ADRIATIC — 2nd Call Priority 2 Measure 2.1 "Protection and enhancement of the marine and coastal environment", coordinated by Consorzio Nazionale Interuniversitario per le Scienze del Mare (CONISMA), Università del Salento.

2011-now Action leader of the Ritmare SP4 WP1 A3 Marine Georesources.

2013 Organization of the GEBCO (General Bathymetric Chart of the Oceans) 2013 conference, 7-11 October 2013, Venice. Annual meetings of the GEBCO Guiding Committee (GGC), Technical Sub-Committee on Ocean Mapping (TSCOM), Sub-Committee on Regional Undersea Mapping (SCRUM) and Nippon Foundation/GEBCO Training Project Management Committee (NMC) were held at Institute of Marine Sciences (ISMAR) headquarters in Venice. These meetings, under the auspices of IHO and the United Nations Educational, Scientific and Cultural Organization (UNESCO-IOC), included also the GEBCO Open Science Day, convener Marzia Rovere.

2013-2015 ISMAR PI for the proposal FP7-PEOPLE-2013-ITN (SLATE — Submarine LAndslides and Their impact on European continental margins) coordinated by Katrin Huhn University of Bremen, Germany.

2014 Workshop/Short course "Georesources in Horizon 2020. Perspectives of deep sea and continent exploration/exploitation and recycling of Non-Energy Raw Materials" held on 9 September 2014 during the biannual SGI-SIMP joint conference in Milan. Organizers: Michael Marani, Marzia Rovere, Fabiano Gamberi, Institute of Marine Sciences (ISMAR) and Roberto Braga (University of Bologna). Coordinated the offer for the STOA study on: Technology options for deep seabed exploitation, Tackling economic, environmental and societal challenges; IP/G/STOA/FWC-2013-1 LOT 3 Environment, including climate change. Coordinated the technical offer for the tender "Piano Operativo Per L'individuazione Di Giacimenti Di Sabbia Sottomarini Utilizzabili Per Il

Ripascimento Artificiale Dei Litorali Sabbiosi In Erosione Della Regione" P.O.R. PUGLIA 2000-2006 — FESR — CIG: 57930987B2, CUP: H31I13000010002

2015 ISMAR PI for the proposal H2020-EINFRA-2015-1 Research and Innovation action, E-BISS: Eresearch infrastructure in Bathymetry, Imagery, Sonar and Seismics. EINFRA-9-2015. She is evaluating the participation into one of the KAVA-KIC Raw Matters proposals http://eit.europa.eu/eit-community/eit-raw-materials in the Network of Infrastructure subject. Acquisition, post-processing and interpretation of marine geophysical and geological data acquired on board ships and vessels (multichannel and single channel seismic reflection MCS/CHIRP/SBP, side scan sonar (SSS), multibeam MBES, magnetic, gravimetry, coring and box coring, oceanographic and chemical parameters). Geochemical and isotopic analyses interpretation.

Computer skills and competences

Excellent skills within Linux, Unix, Windows and Mac environments. Programming: Perl, shell utilities, HTML. Software ArcGIS-ESRI; CARIS HiP & SIPS, QPS-Fledermaus, Ifremer-Globe, Caraibes, Neptune-Kongsberg, Multibeam Manager-Pangea, PDS2000-Reson Inc., Caraibes. Oasis Montaj-GeoSoft, Focus-Paradigm Inc., Kirkpack, Seismic Unix. Erdas-Leica Geosystems, ENVI-ITT, GeoSurvey Productivity Suite-CodaOctopus Ltd., TEI Suite-Triton Imaging Inc; SwanPro-Communication Technology. Delph Seismic-Triton Imaging Inc., GMT, Surfer-Golden Software Inc.; AutoCAD; Adobe Illustrator, Photoshop.

Dissemination skills and competences

Social skills and competences

She regularly participates in initiatives of outreach and scientific dissemination, including the Researchers' Night and the "Festival della Scienza", in particular during the 21 October-2 November 2011 exhibition held in Genoa. She appeared in TV programmes such as, Rai 3 "Mediterraneo", episode broadcasted on October 6th 2013, where ISMAR research scientists talked about marine georesources and geohazards in the Italian Seas while onboard the R/V Urania and France 3 "Thalassa" aired on 21st November 2014, centered on submarine volcanoes of the southern Mediterranean Sea. She participates in Citizen Science and Science in Society project proposals about the scientific information, data accessibility, data dissemination and conservation, use. Early after her graduation, she has worked in natural science museums organizing free learning activities for pupils of primary and secondary schools. In 2003 she won a scholarship to attend a MSc in Natural Science Communication, University of Parma, Italy. In 2004 she wrote the essay: Effetti collaterali di un goffo tentativo di emulazione del comandante Jacques-Yves Cousteau, published in Cervelli in Gabbia, Avverbi Eds. In recent years she devoted her attention to the study of the native populations of North Africa. She was leading member of the steering committee of the meeting: Maghreb: 600 hundred years after Ibn Khaldoun, held in Rome in 2006 and sponsored by Presidenza del Consiglio della Regione Lazio. She is adviser of several undergraduate, MSc and PhD projects, concerning a variety of topics: grain size and susceptibility analysis on deep sea sediment cores, geomorphometry of mass transport deposits and canyon and slope channel systems; deep confined turbidite systems, cold seep habitats, backscatter analysis, seismostratigraphy, marine geochemistry. She has been

responsible for training young people both in the laboratory and on board. She owns a good problem solving attitude, such as successfully matching short-coming and tight deadlines. For her long-time habits of travelling through undeveloped countries around the world and participating in ethnographic expeditions, she is used to come in touch and cooperate with people of different ethnic identities, languages and cultures.

Additional information oceanographic cruises

Between 1998 and 2015 she participated, as acquisition technician, scientific ship party member and chief scientist, in oceanographic cruises in the Mediterranean Sea, Atlantic Ocean and Arctic Ocean.

1998 30/10-07/12 BIGSETS cruise on board N/O Urania, offshore SW Portugal as junior scientist. MCS acquisition.

1999 29/06-03/08 TOBI-AZZORRE99 cruise on board N/O Urania, Azores Islands, SSS acquisition in a submarine volcanic context.

2000 18/05-30/05 PARSIFAL campaign aboard B/O Hespérides, offshore SW Portugal and Gulf of Cadiz. MBES acquisition, OBS deployment, wide-angle seismics; 13/07-28/07 TTR-10 cruise (*Training Through Research, Floating University*, funded by UNESCO) aboard R/V Professor Logachev. SSS (Okean and ORE-Tech technology) acquisition, single-beam reflection seismics, TV grabbing, coring.

2002 20/11-23/12 VOLTAIRE cruise, aboard N/O Urania, Moroccan and Portuguese waters. MCS acquisition.

2004 22/06-27/06 MATESPRO cruise, on board R/V Don Carlos I, Portuguese Atlantic waters. MBES acquisition under IOC-IHO standards; 12/07-21/07 VENICE 2004 campaign, on board N/O Urania, northern Adriatic Sea. CHIRP acquisition and coring.

2005 17/03-26/03 VENICE 2005 campaign, on board N/O Urania, northern Adriatic Sea. CHIRP acquisition and sediment coring; 06/10-14/10 SADRI05 campaign aboard N/O Urania, southern Adriatic Sea. CHIRP and MBES acquisition.

2006 20/04-27/04 HERMES06 EU Program on board N/O Urania, offshore South Sicily. CHIRP and MBES acquisition;

06/05-12/05 SETE06 cruise on board N/O Urania, southern Adriatic Sea, CHIRP and MBES acquisition;

10/07-22/07 PROMETHEOUS cruise aboard R/V Universitatis, Thyrrenian Sea (Marsili Volcano). CHIRP and MBES acquisition, grabbing and coring;

25/08-07/09 TAORMINA 2006 cruise on board N/O Urania, Messina Straits and Etna offshore. MCS, CHIRP and MBES acquisition.

2007 09/02-20/02 SADRI07 campaign aboard N/O Urania, southern Adriatic Sea. CHIRP and MBES; 26/03-05/04 BARCA07 cruise aboard N/O Urania, southern Adriatic Sea. CHIRP and MBES, Box Coring; 8/08-11/10 Greenland Connect and Hybernia pre-cable surveys aboard R/V OGS-Explora, offshore Greenland, Newfoundland, Icelandic waters. SSS/SBP, MBES, coring.

2008 11/02-29/02 Mena pre-cable surveys aboard R/V OGS-Explora, Mediterranean Sea. MBES; 13/05-23/05 SASSI08 on board N/O Urania, Adriatic Sea. CHIRP and MBES; 04/06-10/06 GARGANO 08 on board N/O Urania, Adriatic Sea. CHIRP and MCS seismics.

2009 03/03-30/03 ADRIASEIS09 on board N/O Urania, Adriatic Sea. CHIRP and seismic oceanography (dense waters cascading); 25/07-08/08 MAGIC001-002 on board M/P Mariagrazia, southern Adriatic Sea. CHIRP and MBES in the frame of the MaGIC project. 23/09-07/10 CNR ISMAR01 on board M/P Mariagrazia, eastern Sardinian margin, **chief scientist**. CHIRP and MBES in the frame of the MaGIC project.

2010 16/02-28/02 MAGIC004 on board M/P Mariagrazia, eastern Sardinian margin, **chief scientist**. CHIRP and MBES in the frame of the MaGIC project; 26/04-14/05 CNR-ISMAR0410 on board M/P Mariagrazia, southern Tyrrhenian Sea, **chief scientist**. CHIRP and MBES in the frame of the MaGIC project; 01/06-10/06 TORDE10 on board N/O Urania, southern Tyrrhenian Sea. CHIRP, MBES, coring on deep turbidite and debrite systems.

2011 22/06-07/07 MAGIC007 on board N/O Urania eastern Sardinian margin, **chief scientist**. CHIRP and M888BES in the frame of the MaGIC project; 26/08-08/09 MVP11/MAGIC-ISMAR-0911 on board N/O Urania, southern Tyrrhenian Sea, **chief scientist**. CHIRP and MBES, coring, box coring, water column acoustics detections on top of cold seep sites.

2013 25/02-28/02 seismic CHIRP and Multibeam acquisition on a marine landslide onboard N/O OGS Explora in the frame of Ritmare project SP4 WP1 A2. 15/08-28/08 CAT13 on board N/O Urania, southern Tyrrhenian Sea. CHIRP, MBES, coring and box coring on channel-levee systems and mass transport complexes. 24/10-30/10 bathymetry and backscatter acquisition in the Venice Lagoon on board the Litus vessel.

2014 13/06-25/06 MarBeep 2014 on board N/O Urania, southern Tyrrhenian Sea, **chief scientist**. CHIRP and MBES, coring, box coring, MCS seismics, water column acoustics detections, water sampling on top of cold seep and hydrothermal vent sites and on a mass transport= complex. 9/10-01/11 M111 Dyonisous on board R/V Meteor, Ionian Sea, OBS and wide angle seismics for deep crustal imaging of the continental-oceanic transition.

2015 30/04-14/05 LSD2-15 on board N/O Minerva Uno, Adriatic Sea, piston coring and vibrocoring on clinoforms of the last low stand delta of the Po river.

International Seabed Authority ISBA/21/A/6–ISBA/21/C/15

Assembly
Council

Distr.: General
14 July 2015

Original: English

Twenty-first session
Kingston, Jamaica
13-24 July 2015

Report of the Finance Committee

1. During the twenty-first session of the International Seabed Authority, the Finance Committee held five meetings, between 9 and 13 July 2015.

2. The following members of the Committee participated in the meetings during the twenty-first session: Frida Armas-Pfirter, Trecia Elliott, Francesca Graziani, Olivier Guyonvarch, Pavel Kavina, Duncan Muhumuza Laki, Olav Myklebust, Nicola Smith, Reinaldo Storani, David C. M. Wilkens and Shinichi Yamanaka.

3. The following members informed the Secretary-General that they would be unable to attend the session: Aleksey Bakanov and Changxue Chen.

4. The following members informed the Secretary-General that they had resigned: Vishnu Dutt Sharma and Han Thein Kyaw.

5. Following past practice, Ye Minn Thein participated in the meetings of the Finance Committee prior to his formal election by the Assembly for the remainder of the term of office of Han Thein Kyaw, while Koteswara Rao participated on 13 July, prior to his formal election by the Assembly for the remainder of the term of office of Vishnu Dutt Sharma.

6. The Committee re-elected Olav Myklebust as Chair and Duncan Muhumuza Laki as Vice-Chair.

7. The Committee encouraged all members to attend its meetings.

I. Agenda

8. The Committee discussed and adopted its agenda contained in document ISBA/21/FC/1.

II. Implementation of the budget and cost-saving measures

9. The Committee took note of the report on the budget performance for the financial period 2013-2014, and for 1 January 2015 to 31 May 2015 (ISBA/20/A/5-

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ISBA/20/C/10). The Committee requested and received clarification on a number of issues, including on the use of consultants.

10. The Committee expressed its appreciation to the Secretary-General on the efforts being made to effect savings in the budget of the Authority and requested him to continue those efforts and to submit a report on the same topic in 2016.

III. Audit report on the finances of the International Seabed Authority for 2014

11. The Committee considered the report of KPMG on the audit of the accounts of the Authority for the year 2014. The Committee took note of the report and the opinion of the auditors that the financial statements of the Authority give a true and fair view of the financial position of the International Seabed Authority as at 31 December 2014, and of its financial performance and cash flows for the year ended, in accordance with the financial regulations of the Authority and the United Nations System Accounting Standards.

12. The Committee commended the Secretary-General for the Authority's proper accounting records, as highlighted by the Auditors in their report.

13. In reviewing the financial statements for the year ended 31 December 2014, the Committee sought clarification on a number of items, including budget lines with overexpenditures and underexpenditures. The Committee requested that large items in the financial statements be more fully described to enhance transparency. The Committee was fully satisfied with the additional information provided by the Secretary-General.

IV. Appointment of an independent auditor for 2015 and 2016

14. In considering the appointment of an independent auditor for the financial period 2015-2016, the Committee considered the quality of the audits performed by KPMG in 2013 and 2014. After discussion, the Committee decided, in accordance with financial regulation, to recommend to the Assembly that KPMG be appointed for two more years to complete its four-year term.

V. Status of the International Seabed Authority Endowment Fund and Voluntary Trust Fund and related matters

15. The Committee took note of the balance of the Endowment Fund in the amount of US$ 3,468,750, as at 30 June 2015, including accrued interest of $13,212 intended to be utilized to support the participation of qualified scientists and technical personnel from developing countries in marine scientific research and approved programmes.

16. The Committee expressed its gratitude to Mexico for the contribution of $7,500 made on 4 September 2014 and to Tonga for the contribution of $1,000 made on 18 December 2014. The Committee also took note with appreciation of a pledge by China to contribute a further $20,000 to the Endowment Fund.

17. The Committee took note of the balance of the Voluntary Trust Fund in the amount of $225,462, as at 30 June 2015. The Committee expressed its gratitude to China for the contribution of $20,000 made on 7 July 2014 and to Japan for the contribution of $21,660 made on 19 September 2014.

18. The Committee reviewed document ISBA/21/FC/5 and expressed concern about the low rate of return of the Endowment Fund. It took note of the status of the Fund and the possible ways in which the income from it may be increased. Following discussions, the Committee decided not to draw upon any of the capital, but instead, recommended that the Secretary-General consult with the United Nations Joint Staff Pension Fund and other United Nations bodies, as well as an investment counsellor, on the steps that might be taken to generate a higher rate of return. The Committee requested the Secretary-General to report in 2016 on the status and outcome of those consultations and to make recommendations on the investment of the Endowment Fund.

19. The Committee reminded the Secretary-General of its request in 2014 that a report be prepared on the possibility, from a legal perspective, of considering advances from the Endowment Fund to the Voluntary Trust Fund as grants.

VI. Status of the Working Capital Fund

20. The Committee took note of the status of the Working Capital Fund, as at 30 June 2015, with advances of $559,601 out of a ceiling of $560,000.

21. The Committee noted that each member State's share of the Working Capital Fund does not correspond with the latest scale of assessment. As decided by the Committee in 2014, it will revisit this issue in the context of the next revision of the level of the Working Capital Fund.

VII. Status of Implementation of the International Public Sector Accounting Standards

22. The Committee commended the Secretary-General for the document on the status of the progress made towards the implementation by the Authority of the International Public Sector Accounting Standards by 1 January 2016 (ISBA/21/FC/9), and his efforts to implement those standards.

VIII. Proposal to enhance the presentation of the budget for the financial period 2017-2018 in the light of the International Public Sector Accounting Standards

23. The Committee discussed ways and methods to modernize the presentation of the budget so as to enhance transparency and strategic planning. The Committee considered the current budget format and the options presented in the document entitled "Proposal to enhance the budget presentation for the financial period 2017-2018 in the light of the International Public Sector Accounting Standards" (ISBA/21/FC/6) in its discussions.

24. Following discussions in the Committee, the Committee developed a new budget format, as contained in the annex. The new format would include two expenditure sections, namely: (a) the administrative section, and (b) the substantive programme section, which would comprise six programmes. The income section of the budget would remain as specified in the 2014 report of the Finance Committee showing gross income.

25. The six programmes covering the work of the Authority are:

(a) Development of the regulatory framework for activities in the Area;

(b) Protection of the marine environment;

(c) Management of contracts;

(d) Data management;

(e) Promotion and encouragement of marine scientific research in the Area;

(f) Outreach activities.

26. The budget would include a detailed description of the actions, priorities and objectives within each programme.

27. Within each of the six programmes, there would be subcategories, including:

(a) Consultants;

(b) External printing;

(c) Travel;

(d) Workshops.

28. The advantages of the new format would include more accountability and transparency with regard to the strategic direction of the Authority and enhanced strategic decision-making by it. Furthermore, this would enable more detailed reporting on the results achieved in each programme area. It is understood that the budget format will be kept under review and will evolve with time.

29. The Committee requested the Secretary-General to use the new budget format for the preparation of the budget proposal for the financial period 2017-2018. The narrative to the budget proposal should describe the programmes and provide explanations on the types of costs to be incurred by each programme, using subcategories, including those mentioned in paragraph 27 above.

IX. Status of implementation of the decision of the Assembly relating to annual overhead charges for contracts for exploration

30. The Committee considered document ISBA/21/FC/4, on the implementation of Assembly decision ISBA/19/A/12 on the annual overhead charge.

31. The Committee noted that, of the 14 exploration contracts that were entered into before 25 July 2013, 10 contractors had agreed to amend their contracts and to pay the overhead charges. The Committee also noted that, for 2016, it was anticipated that 18 of 22 contractors would pay the annual overhead charge.

32. The Committee noted with appreciation the progress and success of the Secretary-General in the negotiation on the overhead charges and encouraged him to continue his consultations with the remaining four contractors to ensure equitable burden-sharing among all contractors.

X. Proposed fee for processing an application for an extension of a contract for exploration

33. The Committee reviewed a detailed analysis, provided by the Secretary-General, of the estimated costs of processing applications for extensions of contracts for exploration, on the basis of the proposed procedures contained in the document entitled, "Procedures and criteria for the extension of an approved plan of work for exploration pursuant to section 1, paragraph 9, of the annex to the Agreement relating to the Implementation of Part XI of the United Nations Convention of the Law of the Sea of 10 December 1982" (ISBA/21/C/WP.1), and sought further clarification. After consideration and further discussion, the Committee determined that the estimated cost for processing an application for extension amounted to $67,000.

34. The Committee therefore decided to recommend to the Council that, in considering the procedures and criteria for the extension of an approved plan of work for exploration as recommended by the Legal and Technical Commission, the fee for processing an application for extension of a contract should be fixed at $67,000, and that paragraphs 4 to 6 of the draft procedures and criteria contained in document ISBA/21/C/WP.1 should be adopted as adjusted accordingly.

XI. Financial and budgetary implications of the proposed work programme for the development of regulations for exploitation of marine minerals

35. Following a presentation by the Chair of the Legal and Technical Commission on the development of a regulatory framework for mineral exploitation in the Area, the Committee considered that the implementation of the draft action plan would have significant financial implications for the next budget covering 2017-2018, and recalled accordingly, that a decision by the Council on the draft action plan would have to be reflected in the deliberations on that budget. The Committee noted that the Legal and Technical Commission would be preparing a fully costed plan and requested that it be available in sufficient time for it to be taken into account when the next budget proposal was prepared.

36. The Committee recommended that the Council and the Assembly request the Secretary-General to endeavour to allocate sufficient resources in the budget for 2015-2016 to the priority deliverables identified in the draft action plan and to report to the Committee on the progress made and the resources used.

XII. Other matters

37. The Committee considered the document entitled "New member of the International Seabed Authority" (ISBA/21/FC/8). The Committee recommended that the State of Palestine, which became a member of the Authority on 2 January 2015, pay the amounts shown below as its contributions to the general administrative budget of the Authority for 2015. Such contributions should be credited as miscellaneous income, in accordance with regulation 7.1 of the Authority's Financial Regulations.

New member State	*Date membership began*	*United Nations scale of assessment (percentage)*		*Adjusted International Seabed Authority scale (percentage)*		*Contributions to the general administrative budget (United States dollars)*		*Advances to the Working Capital Fund (United States dollars)*
		2015	*2016*	*2015*	*2016*	*2015*	*2016*	*2015*
State of Palestine	2 January 2015	0.0025	0.0025	0.01	0.01	578	578	–
Total						**578**	**578**	–

38. The Committee expressed its concern about the outstanding contributions from member States in arrears for two or more years in the period (1998-2015) in the amount of $297,649 and requested the Secretary-General, at his discretion, to continue his efforts to recover those amounts.

39. The Committee welcomed and appreciated the advance publication of its documents on the Authority's website and encouraged the Secretary-General to continue that practice.

XIII. Recommendations of the Finance Committee

40. In the light of the foregoing, the Committee recommends that the Council and the Assembly of the Authority:

(a) *Appoint KPMG* as independent auditor for 2015 and 2016;

(b) *Request* the Secretary-General to consult with the United Nations Joint Staff Pension Fund and other United Nations bodies, as well as an investment counsellor, on the steps that might be taken to generate a higher rate of return from the Endowment Fund and to report to the Committee in 2016 on the status and outcome of those consultations, and to make recommendations on the investment of the Endowment Fund;

(c) *Take note* of the new format to be used in presenting the budget of the Authority for 2017-2018;

(d) *Set* the fee for processing an application for extension of a contract at $67,000 and adopt paragraphs 4 to 6 of the draft procedures and criteria contained in document ISBA/21/C/WP.1, as adjusted, accordingly;

(e) *Request* the Secretary-General to endeavour to allocate sufficient resources in the budget for 2015-2016 to the priority deliverables identified in the draft action plan and to report to the Committee on the progress made and the resources;

(f) *Strongly encourage* those contractors that are still considering their position in relation to the annual overhead charge related to the administration and supervision of their contracts to accept the relevant amendments to the standard terms of contract in order to ensure equitable burden-sharing among all contractors;

(g) *Urge* the members of the Authority to pay their assessed contributions to the budget on time and in full;

(h) *Appeal once more* to the members of the Authority to pay outstanding contributions to the budget of the Authority from previous years as soon as possible and request the Secretary-General, at his discretion, to continue his efforts to recover those amounts;

(i) *Strongly encourage* members to make voluntary contributions to the Endowment Fund and Voluntary Trust Fund of the Authority.

Annex

2017-2018 budget format for expenditures

Section 1. Administrative expenditures
Subsection 1
Established posts
General temporary assistance
Overtime
Common staff costs
Communications
Training
Library books and supplies
Official hospitality
Acquisition of furniture and equipment
Supplies and materials
Miscellaneous services
Information technology
Audit fees
United Nations common system
Building management
Official travel (non-programme)
Total Subsection 1
Subsection 2
Conference services
Assembly
Council
Finance Committee
Legal and Technical Commission
Total Subsection 2
Total Section 1. Administrative expenditures
Section 2. Programme expenditures
2.1 Development of the regulatory framework for activities in the Area
Consultants
External printing
Travel
Workshops
Subtotal

2.2 Protection of the marine environment
Consultants
External printing
Travel
Workshops
Subtotal
2.3 Management of contracts
Consultants
External printing
Travel
Workshops
Subtotal
2.4 Data management
Consultants
External printing
Travel
Central data repository
Workshops
Subtotal
2.5 Promotion and encouragement of marine scientific research in the Area
Consultants
External printing
Travel
Workshops
Subtotal
2.6 Outreach activities
Consultants
External printing
Travel
Workshops
Subtotal
Total Section 2. Programme expenditures
Total Administrative and programme expenditures

International Seabed Authority ISBA/21/C/16

Council

Distr.: General
15 July 2015

Original: English

Twenty-first session
Kingston, Jamaica
13-24 July 2015

Report of the Chair of the Legal and Technical Commission on the work of the Commission during the twenty-first session of the International Seabed Authority

I. Introduction

1. The Legal and Technical Commission held two sessions in 2015, from 16 to 27 February, and from 6 to 15 July, in total, holding 24 formal meetings.

2. On 16 February 2015, the Commission adopted its agenda for the twenty-first session (ISBA/21/LTC/1). On the same day, the Commission elected Christian Reichert as Chair and Elva Escobar as Vice-Chair.

3. The following members of the Commission participated in the two sessions: Adesina Adegbie, David Billett, Harald Brekke, Winifred Broadbelt, Georgy Cherkashov, Elva Escobar, Russell Howorth, Kiseong Hyeong, Elie Jarmache, Carlos Roberto Leite, Pedro Madureira, Juan Pablo Paniego, Andrzej Przybycin, Christian Reichert, Michelle Walker and Haiqi Zhang. The following members attended the session in July, but were unable to attend the session in February: Eusebio Lopera and Maruthadu Sudhakar. Farhan M.S. Al-Farhan and Hussein Mubarak were unable to attend either session. The following members resigned prior to the session in July 2015: Domenico da Empoli, Emmanuel Kalngui, Nobuyuki Okamoto and Cristián Rodrigo. In accordance with previous practice, Montserrat González Carrillo, Natsumi Kamiya and Marzia Rovere participated in the meetings of the Commission following their nomination, but prior to their formal election by the Council on 14 July 2015.

II. Activities of contractors

A. Status of contracts for exploration

4. The secretariat provided the Commission with information on the status of contracts issued by the Authority pertaining to exploration for polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts at each of its two

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sessions in 2015 (ISBA/21/LTC/8 and ISBA/21/LTC/8/Rev.1). The Commission took note that 22 contracts for exploration had been issued by the Authority as at 30 June 2015 and noted that that number would reach 26 with the anticipated signature of four additional contracts. The Commission stressed that this rise had already resulted in an increase of its workload regarding the monitoring of the activities of contractors, including the evaluation of annual reports, together with the implementation of training programmes.

B. Implementation of training programmes under contracts for exploration and allocation of training opportunities

5. At its July session, the Commission agreed to follow a practical approach for the selection of trainees. In particular, the Commission decided to select more alternates for each training opportunity in order to ensure that no training opportunity is lost if first-ranked candidates are not available. In that regard, the Commission encouraged contractors to inform the Authority sufficiently in advance when exploration cruises are being planned.

6. In addition, the Commission decided that it would be timely to review the recommendations for selecting trainees and requested the secretariat to prepare suggested guidelines for its consideration at its next meeting.

1. Implementation of training programmes by China Ocean Mineral Resources Research and Development Association

7. At its session in February 2015, the Commission was informed that four training places had been made available by the China Ocean Mineral Resources Research and Development Association, with two trainees for a fellowship training programme and two for an engineering training programme. A total of 95 applications from 34 countries had been received.

8. On 16 February 2015, the Commission formed a training subgroup to carry out an initial review and appraisal of the applications. The subgroup met from 18 to 24 February and carried out graded selection. The selected candidates were ranked first and second, and first alternate and other alternates. Reinier Giralt Ortega (Cuba) and Taufan Wiguna (Indonesia) were selected for the fellowship training, while Natia Chomakhidze (Georgia) and Prithivi Dass Bissessur (Mauritius) were selected for the engineering training. Mr. Wiguna advised of his unavailability upon the notification of the selection result and Ms. Natalia Amezcua Torres (Mexico) replaced him as the first alternate. A full report on the selection process, together with the names of the recommended candidates, is contained in document ISBA/21/LTC/10.

2. Implementation of training programmes by Tonga Offshore Mining Limited

9. In April 2015, Tonga Offshore Mining Limited submitted a training proposal for two at-sea training places that would be available in June 2015. The selection process followed by the Commission involved the subgroup carrying out its work by email. Andriharizafy Rantosoa (Madagascar) and Victor Lopes (Brazil) were selected for that training programme. The Commission accepted the recommendation of the subgroup and emphasized that every effort should be made by contractors to submit their training proposals not less than six months prior to the

implementation of the training programme. A full report on the selection of the candidates is contained in document ISBA/21/LTC/13.

3. Implementation of training programmes by UK Seabed Resources Ltd. and by the Federal Institute for Geosciences and Natural Resources of Germany

10. In July 2015, the Commission met to select the candidates for the training programmes to be provided by UK Seabed Resources Ltd. (UKSRL) and by the Federal Institute for Geoscience and Natural Resources of Germany (BGR). Once again the subgroup process was utilized.

11. UKSRL had submitted its training proposal in April 2015. It had contracted with the Plymouth University to provide one Ph.D. programme in the analysis of polymetallic nodules and one Ph.D. programme in deep-sea marine biology, each of them starting in October 2015 for a four-year period. A total of 39 applications from 15 countries had been received for the Ph.D. programme in nodule analysis and 42 applications from 16 countries had been submitted for the second Ph.D. programme. In collaboration with UKSRL and the University of Plymouth, the Commission selected Wycliff Tupiti (Solomon Islands) as the first-ranked candidate and Felix Nshimiyimana (Rwanda) as the alternate for the Ph.D programme in analysis of polymetallic nodules. The Commission selected Kirsty McQuaid (South Africa) as the first-ranked candidate and Beatriz Eugenia Mejia Mercado (Mexico) as the alternate for the other Ph.D. programme.

12. The BGR training programme included the availability of two at-sea training places in late 2015 and four at-sea training places in early 2016. A total of 73 applications from 20 countries had been received. A list of 6 first-ranked candidates and 12 alternates was agreed by the Commission.

13. Full details on the selection of candidates for the UKSRL and BGR training programmes are contained in document ISBA/21/LTC/14.

4. Anticipated training opportunities within the next five years

14. In response to a request from the Commission at its February session, the secretariat provided an update of training opportunities that would be made available within the next five years. The Commission took note of the fact that approximately 90 training opportunities would arise as a result of contracts for exploration that had been issued since 2011. That number could reach 120 as a result of four contracts for exploration that were anticipated to be concluded in 2015. That did not include the training opportunities that could arise from the extension of contracts for exploration in 2016 and 2017.

C. Review of the recommended template for annual reports of contractors

15. At its last session in 2014, the Commission agreed that it was necessary to replace the current template on the format and structure of annual reports of contractors that had been designed in 2002. In addition, the current template did not include the additional requirements for the format and content of annual reports, including on standardization of data which the Commission, particularly in recent years, had recommended. Other elements were also considered for the review,

including comments made by the Commission in its previous and current evaluation of the annual reports of contractors, the template for the submission of data, as agreed with the contractors at a meeting in January 2012, together with the outcomes of workshops recently organized by the Authority.

16. At the session in February 2015, the Commission commenced its review of the template for annual reports of contractors on the basis of a draft prepared by the secretariat. The Commission divided into two working groups to review templates for reporting environmental and resource data and information. However, the Commission had insufficient time to conclude its review and agreed to continue to work intersessionnally through the secure website of the Commission. On the basis of comments and reviews received from some members of the Commission, the secretariat prepared draft recommendations for the guidance of contractors on the content, structure and format of annual reports of contractors for consideration by the full Commission in July. After review, the Commission adopted the draft recommendations as contained in document ISBA/21/LTC/15. The recommendations include general requirements for the annual report and specific guidance for reporting on the exploration under contract for each category of marine mineral resources (polymetallic nodules, polymetallic sulphides and cobalt-rich ferromanganese crusts). The specific guidance is contained in annexes I to III of the recommendations. Annex IV comprises a list of templates for reporting environmental and geological data. Annex V of the recommendations includes the recommended standard for reporting of mineral exploration results assessments, mineral resources and mineral reserves. Those are derived from the international reporting template of the Committee for Mineral Reserves International Reporting Standards, which was discussed at the Goa workshop (see paras. 38-39).

17. The updated recommendations supersede the guidance for contents, format and structure for annual reports suggested by the Commission in the annex to document ISBA/8/LTC/2 and should be applied by all contractors with effect from 1 January 2016.

D. Review of the recommendations for the guidance of contractors on the reporting of actual and direct exploration expenditures

18. At its session in July 2014, the Commission noted the need to update the recommendations for the guidance of contractors for the reporting of actual and direct exploration expenditures that had been issued in 2009, prior to the approval of the regulations on prospecting and exploration for polymetallic sulphides and cobalt-rich ferromanganese crusts and before the entry into force of contracts for exploration for those resources. The Commission decided to review the recommendations at its session in February 2015 and requested that the secretariat prepare a draft for its consideration for that purpose. In that regard, the Commission recalled that the provisions applicable to financial reporting were identical to the relevant provisions in each of the three sets of regulations of the Authority. The Commission reviewed the proposed amendments and agreed to them, with minor editorial changes, together with a revision of the capital reporting for the equipment used. The recommendations for the guidance of contractors for the reporting of actual and direct exploration expenditure that the Commission issued are contained in document ISBA/21/LTC/11.

E. Consideration of the annual reports of contractors

19. The Commission considered 18 annual reports submitted by contractors pursuant to section 10 of annex 4 to the Regulations. The list of contractors that submitted annual reports is contained in annex I to the present report. Following past practice, the secretariat made the annual reports of the contractors available to members of the Commission through the secure website. The secretariat also prepared a preliminary technical evaluation of the reports. In considering the reports, the Commission divided itself into three working groups on (a) resource and technical matters, (b) environmental matters, and (c) legal and financial matters and training Annex II to the present report contains the general comments and conclusions of the Commission on the annual reports of the contractors for the information of the Council.

III. Application for approval of a plan of work for exploration for polymetallic nodules by the China Minmetals Corporation

20. On 8 August 2014, an application for approval of a plan of work for exploration in eight reserved areas in the Clarion-Clipperton one was received from China Minmetals Corporation, a State enterprise under the sponsorship of the Government of China. This was placed on the agenda of the Commission for its session in February 2015. The Commission considered the application in closed meetings held on 18, 19, 20 and 26 February. Following a presentation of the application, the Commission submitted a list of questions to the applicant on the basis of its initial consideration. The Commission was able to consider responses to the questions at the February session, following which the Commission adopted its report and recommendations to the Council as contained in document ISBA/21/C/2.

IV. Implementation of the environmental management plan for the Clarion-Clipperton Zone and development of other environmental management plans in the Area

21. At its twentieth session, the Council encouraged the secretariat and the Commission to continue their work on the implementation of the environmental management plan for the Clarion-Clipperton Zone up to and beyond 2015, and encouraged the Commission to consider the development of similar plans in other regions where the Authority had issued exploration contracts, in line with the calls from the General Assembly.[1]

22. The secretariat prepared an update on the status of the environmental management plan for the Clarion-Clipperton Zone, together with information on proposals for the development of similar plans in other regions where the Authority had issued exploration contracts (ISBA/21/LTC/9/Rev.1).

23. In the light of the review of the implementation of the environmental management plan for the Clarion-Clipperton Zone on which the Commission is to

[1] ISBA/20/C/31, para. 9, General Assembly resolution 68/70, para. 51, and General Assembly resolution 69/245, para. 51.

report to the Council in 2016, the Commission requested that the secretariat prepare an outline of the existing plan including the Areas of Particular Environmental Interest. A great deal of information and sampling had been gathered in recent months in the region and the Commission would take this into consideration in 2016.

24. With respect to the development of other environmental management plans, the Commission was informed of a scoping workshop (Horta, Azores, 1-3 June 2015) held to initiate a scientific and technical process towards the development of a strategic environmental management plan for deep seabed mineral exploration and exploitation in the Atlantic basin in areas beyond national jurisdiction.

25. The Commission took note of the information provided by the secretariat and welcomed inputs from external initiatives by the scientific community. The Commission supported the rationale for an environmental management plan for the Mid-Atlantic Ridge. It noted that a robust scientific case would be developed by the workshop participants over the coming years and it was expected that a report would be submitted for consideration and development by the Commission in 2017.

V. Draft regulations for the exploitation of mineral resources in the Area

26. The Commission continued its discussions relating to the development of a regulatory framework for mineral exploitation in the Area, in particular a request made to the Commission by the Council at its twentieth session to deliver a draft framework to all members of the Authority and all stakeholders following the meeting of the Commission in February 2015.

27. To that end, the Commission considered a report and presentation prepared by the secretariat. The report set out the background to the development of the framework under the Convention on the Law of the Sea and the Agreement relating to the implementation of Part XI thereof, including the specific policy objectives and the criteria for the formulation of rules, regulations and procedures applicable to exploitation. The Commission discussed a number of high-level issues that would have an impact on the strategic approach taken with regard to the development of the exploitation regulations, together with definitions and a number of practical issues affecting the operationalization of the exploitation regime. The Commission felt, in particular, that the areas of risk assessment and management and the implementation of internationally recognized standards were fundamental to the orderly development of the industry and its regulation. That would require a more detailed understanding of proposed operations.

28. The Commission also took note of a discussion paper prepared by the secretariat and external consultants concerning the development of a payment mechanism for exploitation activities in the Area.

29. At the end of its February meeting, the Commission decided to circulate a draft framework to all stakeholders, together with a summary of the high-level issues under discussion. In addition, the Commission agreed to circulate a draft action plan flowing from the draft regulatory framework. The action plan also highlighted the magnitude of the task ahead. The Commission agreed to provide to the Council in July 2015 an updated report, including a revised draft framework and

revised action plan following the receipt of stakeholder responses to the framework report, together with a summary of priority action areas.

30. As part of its July meetings, the Commission discussed the stakeholder responses to the suggested draft framework, high-level issues and action plan issued to stakeholders in March 2015.[2] The discussion also benefited from the views exchanged at a workshop held in Singapore in June 2015 related to the draft framework and a payment mechanism (ISA Briefing Paper 04/2015). The workshop was organized by the Authority in collaboration with the Centre for International Law of the National University of Singapore. The Commission expressed its appreciation to those stakeholders who had responded to the draft framework and acknowledged the various offers of assistance in developing specific aspects of the framework. The Commission requested that the secretariat continue to maintain liaison with those stakeholders accordingly.

31. The Commission considered that the draft framework had been well received by stakeholders and served as a good basis to provide direction to the drafting of the exploitation regulations, together with additional detail contained in stakeholder responses to the framework and the 2014 stakeholder survey. The Commission has issued a revised draft framework and action plan, taking account of any material comments by stakeholders. A revised document was available on the Authority's website.[3]

32. The Commission also acknowledged the submissions made to the discussion paper issued by the secretariat relating to the financial payment mechanism. The Commission discussed the difficulties inherent in designing a longer-term payment mechanism and noted the proposal made at the Singapore workshop to consider a transitional payment mechanism. The Commission observed the need for a better understanding of exploitation business models and a need for financial and economic models to be prepared. The Commission requested that this be taken forward by the secretariat.

33. From its review, the Commission had identified seven priority deliverables for the next 12 to 18 months. These were reflected in annex III to the present report and included a zero draft of the exploitation regulations and standard contract terms. The Commission noted that a complete exploitation code, including guidelines and recommendations, would evolve over time as more data and information became available and that the delivery of a complete exploitation code will have material implications for the budget for the next biennium (2017 and 2018) and beyond. In conjunction with the secretariat, the Commission would aim to develop a fully costed plan and timeline by July 2016.

34. In terms of a continued commitment to transparency and engagement, the Commission has requested the secretariat to draft a stakeholder consultation and participation strategy for the Authority.

35. The Commission would also recommend to the Council that a call be made for broader stakeholder participation, including that of member States, to support and engage with the Authority, such that specific views and opinions could be addressed during this stage of development.

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[2] *Report to Members of the Authority and all stakeholders*, 23 March 2015.

[3] Available at http://bit.ly/1K4Bmrc.

VI. Data management and standardization

A. Data management strategy of the Authority

36. The Commission was provided with an oral presentation regarding a data management plan to be implemented over the next 12 to 18 months, which included a brief description of programmes of cooperation with scientific projects and the Intergovernmental Oceanographic Commission of the United Nations Educational, Scientific and Cultural Organization. The Commission emphasized the importance of developing a strategy in partnership with the contractors and of defining protocols for the validation of resource assessment and environmental data. The Commission also recognized that the Authority's database should host the available genetic data. The Commission stressed that the strategy should describe the use of the data by the Authority and, in particular, expressed the view that confidential and non-confidential data should be separated in the database. The Commission also cautioned that the resources of the secretariat should be allocated giving priority to the implementation of the database management strategy, which has also been identified as a high priority action in the context of the development of the exploitation regulations. The Commission decided to keep this critical question on its agenda for the next session and requested the secretariat to provide a draft data management strategy and the financial implications of its implementation for its consideration at its February 2016 meeting.

B. Consideration of the outcomes of the international workshop on polymetallic nodules resources classification, held in Goa, India, from 13 to 17 October 2014

37. The Commission was provided with a summary of the international workshop on polymetallic nodules resource classification that was held from 13 to 17 October 2014 in Goa, India. The workshop was organized by the Authority in collaboration with the Ministry of Earth Sciences of the Government of India. Its main objectives were twofold: to ascertain the status of work undertaken by contractors, with a view to standardizing resource data reporting that contractors are required to submit; and to develop guidance for a standardized classification of the mineral resources in the Area. Eight contractors participated in the workshop.

38. The main outcome of the workshop was to recommend the adoption of a standardized template for resource classification as soon as possible for the guidance of contractors. The recommendations of the Goa workshop in this regard have been incorporated into the recommendations for the guidance of contractors relating to the content, format and structure of annual reports of contractors (ISBA/21/LTC/15) which contain an annex relating to reporting standard for mineral exploration assessment results.

C. Outcomes of the international workshop on taxonomic methods and standardization of macrofauna in the Clarion-Clipperton Zone, held in Uljin, Republic of Korea, from 23 to 30 November 2014

39. At its February meeting, the Commission was presented with the outcomes of the workshop on taxonomic methods and standardization of macrofauna in the Clarion-Clipperton Zone that had been hosted by the East Sea Research Institute in Uljin, Republic of Korea, from 23 to 30 November 2014. This had been the second in a series of workshops on deep-sea fauna. A total of 42 people from 23 countries had attended, including scientific experts, members of the Commission and scientists employed by contractors.

40. The Commission noted that the workshop had achieved four significant outputs: (a) a standardized nomenclature had been produced by the taxonomic experts, with associated descriptions and keys, that was made available to all contractors; (b) new recommendations had been advised on standardized sampling and storing methods; (c) it had advised that contractors should undertake biologically focused sampling cruises and that mixed-discipline cruises should allocate sufficient ship berth space for biological teams; (d) it had concluded that specimens must be identified at the species level and follow the World Register for Marine Species (www.marinespecies.org). The Commission took note of the recommendations made at the workshop (ISA Technical Study No. 13, 2015, pp. 37-38) and requested that the secretariat provide a brief commentary on how the recommendations might be taken up in the future.

VII. Matters referred to the Commission by the Council

A. Procedures and criteria for applications for extensions of contracts for exploration in the Area

41. At its twentieth session, the Commission drew the attention of the Council to the fact that seven contracts for exploration would expire in 2016 and 2017.[4] Given that applications for extension of contracts might be expected by September 2015, appropriate procedures and criteria for processing such applications in a uniform and non-discriminatory manner were urgently needed. Acknowledging the concerns expressed and the urgency of the situation, the Council, by its decision ISBA/20/C/31 of 23 July 2014, requested the Commission, as a matter of first priority, to formulate draft procedures and criteria for applications for extensions of contracts for exploration.

42. For the session in February 2015, the secretariat provided the Commission with draft procedures and criteria for the extension of an approved plan of work pursuant to section 1, paragraph 9, of the annex to the 1994 Agreement and pursuant to section 3.2 of the standard clauses set out in annex IV to the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area

[4] Those contracts are between the Authority and the Interoceanmetal Joint Organization, Yuzhmorgeologiya, the Government of the Republic of Korea, the China Ocean Mineral Resources Research and Development Association, Deep Ocean Resources Development Co. Ltd., the Institut français de recherche pour l'exploitation de la mer and the Government of India.

(ISBA/21/LTC/WP.1), together with an explanatory note (ISBA/21/LTC/3). The Commission reviewed them in closed meetings on 23, 24, 25 and 27 February 2015. On the last day of the session, after having exhausted all efforts to reach a decision by consensus, the Commission proceeded to a vote pursuant to rules 44 and 47 of its rules of procedures. The voting results were nine in favour of the adoption, three against it and two abstentions. The recommendations of the Commission to the Council on procedures and criteria for the extension of an approved plan of work for exploration are contained in document ISBA/21/C/WP.1. The three members of the Commission who voted against the adoption requested that a summary of their divergence of opinion accompany the recommendations, pursuant to rule 46 of the rules of procedure of the Commission. On 13 March 2015, the secretariat received that summary (ISBA/21/C/[illegible], annex).

43. The procedures and criteria proposed by the Commission to the Council set out the form and content of an application for extension and describe their processing by the secretariat and the consideration of an application by the Commission and the Council. They also include a transitional provision that applies in case an application for extension has been duly submitted, but the expiry of the contract would occur after the session of the Commission at which the application was reviewed and prior to the next session of the Council. The procedures and criteria adopted by the Commission also include two annexes. The first annex provides details of the content of an application for extension, while the second annex consists of a template for a written agreement between the Authority and the contractor regarding the extension of an exploration contract.

44. While adopting the recommendations, the Commission noted that the administrative fee for processing an application for extension was of a financial nature and therefore fell within the remit of the Finance Committee, given that, in accordance with the 1994 Agreement, any decision by the Council having financial or budgetary implications or pertaining to the financial management and internal administration of the Authority must be based on the recommendations of the Finance Committee. Consequently, the Commission did not take any position with respect to the relevant paragraphs on the administrative fee and requested that the Secretary-General place this matter on the agenda of the Finance Committee for consideration at its next session, in July 2015.

B. Issues relating to the sponsorship by States of contracts of exploration in the Area, with particular attention to the test of effective control, as well as issues relating to the monopolization of activities in the Area, taking into consideration, in particular, the concept of abuse of a dominant position

45. The Commission considered an interim report on this issue prepared by the secretariat. It was agreed to keep this matter on the agenda of the Commission for 2016. The Commission also requested the secretariat to continue its work on the matter and to prepare a more detailed analysis for the Commission at its next meeting, illustrating and identifying more specifically the new ways of doing business that had been highlighted by the Commission in its previous discussions.

C. Preparation of draft procedures on the handling of confidential data and information, as provided for in rule 12 of the rules of procedure of the Commission

46. The Commission noted that it had been requested to report to the Council on this matter in 2016 and that the secretariat would prepare draft procedures for consideration by the Commission at its next meeting in February 2016.

VIII. Other matters

47. The Commission had a general discussion and exchange of views on its size and composition. It was generally agreed that the current size of the Commission allowed for a broad participation by members and that the general level of attendance was satisfactory. It was noted that the future programme of work for the Commission would probably require more specific expertise relating to the economics of mining projects and marine technology to add to the expertise currently in the Commission.

Annex I

List of contractors which have submitted an annual report on activities carried out in 2014, pursuant to section 10 of annex IV to the Regulations

Name of contractor	*ISBA reference No*	*Date of submission of annual report*
A. Polymetallic nodules		
Global Sea Mineral Resources	PMN/11/2013/BEL	26 March 2015
Nauru Ocean Resources Inc.	PMN/09/2011/NRU	30 March 2015
Federal Institute for Geosciences and Natural Resources of Germany	PMN/08/2006/DEU	31 March 2015
Interoceanmetal Joint Organization	PMN/02/2001/IOM	31 March 2015
Institut français de recherche pour l'exploitation de la mer (Ifremer)	PMN/06/2001/FRA	31 March 2015
Yuzhmorgeologiya	PMN/01/2001/RUS	31 March 2015
Deep Ocean Resources Development Co. Ltd.	PMN/05/2001/JPN	7 April 2015
China Ocean Mineral Resources Research and Development Association (COMRA)	PMN/04/2001/CHN	31 March 2015
Government of the Republic of Korea	PMN/03/2001/KOR	7 April 2015
UK Seabed Resources Ltd.	PMN/12/2013/GBR	31 March 2015
Government of India	PMN/07/2002/IND	30 March 2015
Tonga Offshore Mining Ltd.	PMN/10/2012/TON	10 April 2015
B. Polymetallic sulphides		
Government of the Russian Federation	PMS/02/2012/RUS	7 April 2015
COMRA	PMS/01/2011/CHN	31 March 2015
Ifremer	PMS/04/2014/FRA	31 March 2015
Government of the Republic of Korea	PMS/03/2014/KOR	30 April 2015
C. Cobalt-rich ferromanganese crusts		
COMRA	CFC/02/2014/CHN	31 March 2015
Japan Oil, Gas and Metals National Corporation	CFC/01/2014/JPN	30 March 2015

Annex II

General comments of the Commission on the annual reports of the contractors

General comments

1. The majority of reports largely follow the general format prescribed by the Commission, and are confined for the most part to work carried out during the reporting year under consideration, in accordance with the suggestions made by the Commission following evaluations in previous years. While the average quality of reports is improving, there remains a need for contractors to further improve reporting on resource assessment and environmental baseline data. Furthermore, a few reports were limited to reviewing work that had been carried out in earlier years.

2. Six contractors are entering the last year of the final five-year phase of their respective contracts. By the end of that time it is to be expected that they will have identified a first-generation mine site, obtained good baseline environmental data, developed a mining system prototype and arrangements for metallurgical processing. It can be anticipated that these contractors will request extensions of their plans of work. Five of those contractors have reported different stages on mining tests and siting in their respective areas. Several contractors are now acquiring high resolution bathymetry collected by deep towed systems, seafloor morphology knowledge being of utmost importance to the design and development of the collector systems.

3. The Commission noted concerns over the quality of a number of the annual reports and, in particular, the fact that some contractors had failed to observe the recommendations for guidance issued by the Commission for the assessment of environmental impacts and to provide adequate data in the appropriate format (ISBA/19/LTC/8). Specific details of such failures were provided to the Secretary-General. The Commission requested the Secretary-General to take up these issues with the contractors and report back to the Commission at its next meeting. The Commission also wished to remind contractors of their contractual obligations under section 13.2 (b) and (c) of annex IV to the contract to comply with the rules, regulations and procedures of the Authority and to observe the recommendations issued by the Commission, and of the consequences of non-compliance.

4. The Commission noted that few examples currently exist of any collaborative work between and among contractors, even though several contractors mentioned the usefulness of the standardization workshops organized by the Authority in Germany (2013) and the Republic of Korea (2014).

Exploration work

5. Annual reports by most contractors are directly related to fieldwork carried out in the reporting year. A total of 18 cruises were conducted by contractors in 2014, amounting to 880 days at sea. However there remains a lack of raw tabular data in digital format.

6. A positive trend observed during the reporting period is that one of the contractors has started analysing data on the economic feasibility of nodule mining.

Some are also providing information on mineral resource classification following mining industry practice.

Mining tests and proposed mining technology

7. Progress still remains to be made on technology-related issues; however several contractors for polymetallic nodules are working on the development of mining systems and metallurgical processing. For polymetallic sulphides and cobalt-rich ferromanganese crusts, the latter activities will be developed later.

Environmental monitoring and assessment

8. The environmental work reported by contractors in 2014 is improving, but there are still very great differences between contractors in the quality and amount of data being reported. Some contractors have provided detailed, high-quality data focused on operational needs, while others have produced only marginal data, which is unlikely to be used in baseline studies. There are very few biological data being reported at species level, as required by the Legal and Technical Commission's recommendations for the guidance of contractors on the possible environmental impacts arising from the exploration of marine minerals in the Area (ISBA/19/LTC/8). In many cases, there has been no replicated sampling. Poor planning of environmental surveys is evident in some cases. Some contractors lack appreciation of the importance of sample design (size, sample number, and stratified random sampling) to address environmental heterogeneity, as detailed by the Authority's taxonomy and sampling standardization workshops.

9. There is still a lack of raw tabular data being provided by many contractors. Only 5 contractors have provided digital tabulated data for polymetallic nodules. One contractor has provided data for polymetallic sulphides and one for cobalt-rich ferromanganese crusts. This raw tabular data is essential for evaluating the potential impacts of mining on the marine environment and for the development of the Authority's regional environmental management plans.

10. Contractors are reminded that prior environmental impact assessments must be agreed with the Authority before dredging or other potentially harmful sampling activities are conducted in sulphide and crusts exploration areas. Contractors are required to verify and report that no serious harm has been caused to ecosystems by their activities in these areas.

Financial statements

11. Most of the contractors provided itemized financial statements, as recommended in the document ISBA/15/LTC/7. Such a breakdown is needed to conduct an evaluation of the reported expenditure and to confirm the compliance with the contract. Most contractors exceeded the minimum expenditures stated in their work programmes.

Training programmes

12. Training programmes were conducted by BGR and COMRA in 2014. Daniel Armando Pérez-Calder (Mexico) and Khaled Sinoussy Mohamed (Egypt) participated in the BGR programme. COMRA provided four at-sea training opportunities, although only three candidates were able to take part in the training.

It is regretted that one opportunity was lost, owing to a last-minute withdrawal by a candidate. Training reports were received from all the above-mentioned trainees.

13. COMRA also supported the implementation of the Southwest Indian Ridge at-sea training programme, which was partially funded by the Authority's Endowment Fund. In addition to its training obligations under its contract, Nauru Ocean Resources Inc. provided training to candidates from developing States in environmental science and engineering at the University of the South Pacific in Fiji.

Annex III

Priority deliverables for the development of the exploitation code over the next 12-18 months, as reported to the Finance Committee by the Chairman of the Legal and Technical Commission

Task area		*Commentary*
1.	A zero draft of exploitation regulations and standard contract terms based on the working structure agreed by the Commission (http://bit.ly/1K4Bmrc)	This is vital to provide a higher degree of legal certainty to facilitate investment decisions being made by investors and define key exploitation rights, contract duration, size of exploitation area etc. and related obligations, including environmental obligations. It is intended that the drafting be undertaken by an expert working group (external consultants), including Secretariat personnel. An initial draft deliverable to the Commission in February 2016 will be circulated to stakeholders in March 2016 and presented to the Council in July 2016 together with next steps.
2.	Financial modelling for proposed Financial terms and payment mechanism	To develop a payment mechanism for exploitation activities, detailed financial and economic models based on proposed business plans are needed. External consultants will be required here. This is a key priority for contractors and the Authority.
3.	Data management strategy and plan	The secretariat is to produce a fully costed data management strategy and technical implementation plan based on the advice of the Commission by February 2016. The project is likely to require significant funding in the budget for the next biennium.
4.	Environmental assessment and management	The Authority must develop an environmental impact assessment process and develop its current draft environmental impact statement for adoption by contractors. In addition, the Authority must develop a strategy for strategic (regional) environmental management plans, building on its experience with the establishment of an environmental management plan for the Clarion-Clipperton Zone. These areas require terms of reference but are likely to require input from external experts and/or working group(s)/workshop(s) in the next 12 to 18 months, as well as significant financial resources in the next budgetary cycle.
5.	Adaptive management approach	A key tool for environmental protection. The Government of New Zealand has offered to work with the Authority to develop this.
6.	"Serious harm"	A key term in the exploration and future exploitation codes. This needs to be operationalized through background studies, expert input and subsequent review workshop.
7.	Responsibility and liability	Legal working group (external experts) will need to be formed to explore and develop further rules and principles. The process will be kick-started in the next 12-18 months by a study to be commissioned from external consultants but is seen as a long-term project.

International Seabed Authority ISBA/21/C/17

Council

Distr.: General
20 July 2015

Original: English

Twenty-first session
Kingston, Jamaica
13-24 July 2015

Decision of the Council relating to an application for the approval of a plan of work for exploration for polymetallic nodules submitted by China Minmetals Corporation

The Council of the International Seabed Authority,

Acting on the recommendation of the Legal and Technical Commission,

Noting that, on 8 August 2014, an application for the approval of a plan of work for exploration for polymetallic nodules was submitted to the Secretary-General of the Authority in accordance with the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area[1] by China Minmetals Corporation, sponsored by the People's Republic of China,[2]

Recalling that, in accordance with paragraph 6 (a) of section 1 of the annex to the Agreement relating to the implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982,[3] the processing of an application for approval of a plan of work for exploration shall be in accordance with the provisions of the Convention, including annex III thereto, and the Agreement,

Recalling also that, pursuant to article 153, paragraph 3, of the Convention[4] and paragraph 6 (b) of section 1 of the annex to the Agreement, the plan of work for exploration shall be in the form of a contract concluded between the Authority and the applicant,

Taking note of the advisory opinion of the Seabed Disputes Chamber of the International Tribunal for the Law of the Sea of 1 February 2011,

1. *Takes note* of the report and recommendations of the Legal and Technical Commission relating to an application for the approval of a plan of work for

[1] ISBA/19/C/17, annex.
[2] ISBA/21/LTC/5.
[3] General Assembly resolution 48/263, annex.
[4] United Nations, *Treaty Series*, vol. 1833, No. 31363.

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exploration for polymetallic nodules submitted by China Minmetals Corporation and transmitted to the Council,[5] in particular, paragraphs 29 to 32;

2. *Approves* the plan of work for exploration for polymetallic nodules submitted by China Minmetals Corporation;

3. *Requests* the Secretary-General of the Authority to issue the plan of work for exploration for polymetallic nodules in the form of a contract between the Authority and China Minmetals Corporation in accordance with the Regulations.

208th meeting
20 July 2015

[5] ISBA/21/C/2.

International Seabed Authority ISBA/21/C/18

Council

Distr.: General
23 July 2015

Original: English

Twenty-first session
Kingston, Jamaica
13-24 July 2015

Decision of the Council relating to financial and budgetary matters

The Council of the International Seabed Authority,

Taking into account the recommendations of the Finance Committee,[1]

1. *Recommends* that the Assembly of the International Seabed Authority:

(a) *Appoint* KPMG as independent auditor for 2015 and 2016;

(b) *Request* the Secretary-General to consult with the United Nations Joint Staff Pension Fund and other United Nations bodies, as well as an investment counsellor, on the steps that might be taken to generate a higher rate of return from the Endowment Fund and to report to the Finance Committee in 2016, on the status and outcome of those consultations and to make recommendations on the investment of the Endowment Fund;

(c) *Take note* of the new budget format as recommended by the Finance Committee to be used in presenting the budget of the Authority for 2017-2018;

(d) *Request* the Secretary-General to endeavour to identify the cost and sources of funding for the priority deliverables identified in the draft action plan and to report to the Committee on the progress made and the resources used;

(e) *Strongly encourage* those contractors that are still considering their position in relation to the annual overhead charge related to the administration and supervision of their contracts to accept the relevant amendments to the standard terms of contract in order to ensure equitable burden-sharing among all contractors;

(f) *Urge* the members of the Authority to pay their assessed contributions to the budget on time and in full;

(g) *Appeal once more* to the members of the Authority to pay outstanding contributions to the budget of the Authority from previous years as soon as possible and request the Secretary-General, at his discretion, to continue his efforts to recover those amounts;

[1] ISBA/21/A/6-ISBA/21/C/15.

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(h) *Strongly encourage* members to make voluntary contributions to the Endowment Fund and Voluntary Trust Fund of the Authority;

(i) *Acknowledge with appreciation* the work of the Finance Committee and commend the Secretary-General on the audit report for 2013-2014;

2. *Decides* to set the fee for processing an application for extension of a plan of work for exploration at $67,000 and *adopts* paragraphs 4 to 6 of the draft procedures and criteria for the extension of an approved plan of work for exploration pursuant to section 1, paragraph 9, of the annex to the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982,[2] as adjusted, accordingly.

212th meeting
23 July 2015

[2] ISBA/21/C/WP.1.

Convention on the Law of the Sea of 10 December 1982, as contained in the annex to the present decision;

2. *Reaffirms* that, consistent with its mandate under article 165 of the Convention and paragraph 9 of section 1 of the annex to the 1994 Agreement, the Legal and Technical Commission shall consider whether the contractor has made efforts in good faith to fulfil its obligations under the contract for exploration, but for reasons beyond the contractor's control, has been unable to complete the necessary preparatory work for proceeding to the exploitation stage, or whether the prevailing economic circumstances do not justify proceeding to the exploitation stage;

3. *Calls upon* the sponsoring State or States, in accordance with their obligations, to confirm to the Secretary-General the continuation of sponsorship for the duration of the extension;

4. *Requests* the Secretary-General to communicate the present decision to all contractors with the Authority, and requests the contractors applying for extensions to underscore the proposed modifications and/or additions to the programme of activities.

212th meeting
23 July 2015

Annex
Procedures and criteria for the extension of an approved plan of work for exploration pursuant to section 1, paragraph 9, of the annex to the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982

I. Form and content of application for extension

1. The holder of a contract for exploration (hereinafter referred to as "the Contractor") may submit an application for extension of such contract in accordance with the procedures set out below. Contractors may apply for such extensions for periods of not more than five years each.

2. Each application for extension of a contract for exploration shall be in writing, addressed to the Secretary-General of the International Seabed Authority, and shall contain the information set out in annex I to the present document. Each such application shall be submitted no later than six months before the expiration of the contract in respect of which the application is made.

3. Unless otherwise indicated by the sponsoring State or States at the time of making the application for an extension, sponsorship shall be deemed to continue throughout the extension period and the sponsoring State or States shall continue to assume responsibility in accordance with articles 139 and 153 (4) of the Convention and article 4 (4) of annex III to the Convention.

4. The fee for processing an application for extension of a contract for exploration shall be a fixed amount of $67,000 or its equivalent in a freely convertible currency, to be paid in full at the time of the submission of an application.

5. If the administrative costs incurred by the Authority in processing an application are less than the fixed amount indicated in paragraph 4 above, the Authority shall refund the difference to the Contractor. If the administrative costs incurred by the Authority in processing an application are more than the fixed amount indicated in paragraph 4 above, the Contractor shall pay the difference to the Authority, provided that any additional amount to be paid by the Contractor shall not exceed 10 per cent of the fixed fee referred to in paragraph 4.

6. Taking into account any criteria established for this purpose by the Finance Committee, the Secretary-General shall determine the amount of such differences as indicated in paragraph 5 above and notify the Contractor of the amount. The notification shall include a statement of the expenditure incurred by the Authority. The amount due shall be paid by the Contractor or reimbursed by the Authority within three months of the final decision by the Council in respect of the application.

II. Processing of an application for extension of a contract for exploration

7. The Secretary-General shall:

(a) Acknowledge in writing the receipt of every application for extension of a contract for exploration, specifying the date of receipt;

(b) Notify the sponsoring State or States of the receipt of the application and of the requirement set out in paragraph 3 above;

(c) Place the application, together with the attachments and annexes thereto, in safe custody and ensure the confidentiality of all confidential data and information contained in the application;

(d) Notify the members of the Authority of the receipt of such application and circulate to them information of a general nature which is not confidential regarding the application;

(e) Notify the members of the Legal and Technical Commission and place consideration of the application as an item on the agenda for the next meeting of the Commission.

III. Consideration by the Legal and Technical Commission

8. The Commission shall consider applications for extensions of contracts for exploration expeditiously and in the order in which they are received.

9. The Commission shall consider and review the data and information provided by the Contractor in connection with the application for extension of the contract for exploration. For the purposes of the review, the Commission may request the Contractor to submit such additional data and information as may be necessary regarding the implementation of the plan of work and compliance with the standard clauses of the contract.

10. In discharging its duties, the Commission shall apply the present procedures and criteria and the rules, regulations for the specific mineral resource and procedures of the Authority in a uniform and non-discriminatory manner.

11. If the Commission finds that an application for extension of a contract for exploration does not comply with these procedures, or the Contractor fails to provide data and information requested by the Commission, it shall notify the Contractor in writing, through the Secretary-General, indicating the reasons. The

Contractor may, within 45 days of such notification, amend its application. If the Commission, after further consideration, is of the view that it should not recommend approval of the application for extension of the contract for exploration, it shall so inform the Contractor, through the Secretary-General, and provide the Contractor with a further opportunity to make representations within 30 days. The Commission shall consider any such representations made by the Contractor in preparing its report and recommendation to the Council.

12. The Commission shall recommend approval of the application for extension of the contract for exploration if it considers that the Contractor has made efforts in good faith to comply with the requirements of the contract for exploration but, for reasons beyond the Contractor's control, has been unable to complete the necessary preparatory work for proceeding to the exploitation stage, or if the prevailing economic circumstances do not justify proceeding to the exploitation stage.

13. The Commission shall submit its report and recommendations to the Council at the first possible opportunity, taking into account the schedule of meetings of the Authority.

IV. Consideration by the Council

14. The Council shall consider the reports and recommendations of the Commission relating to applications for extension of approved plans of work for exploration in accordance with paragraphs 11 and 12 of section 3 of the annex to the Agreement relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982.

15. Upon approval by the Council, a contract shall be extended by the execution by the Secretary-General and the authorized representative of the Contractor of an agreement in the form set out in annex II to the present document. The terms and conditions applicable to the contract during the extension period shall be the terms and conditions in force as at the date of the extension, pursuant to the relevant regulations.[3]

V. Transitional provision

16. In the event that an application for extension of a contract has been duly submitted in accordance with the present procedures, but the contract would otherwise expire on a date after the next scheduled meeting of the Legal and Technical Commission but prior to the next scheduled meeting of the Council, the contract and all rights and obligations under the contract shall be deemed to be extended until such time as the Council is able to meet and approve the report and recommendations issued by the Commission in respect of that contract. In no case shall the application of the present provision result in the extension of the contract beyond a period of five years, or such shorter period as may have been requested by the Contractor, from the date on which the contract would otherwise have expired had it not been extended in accordance with these procedures.

[3] Except where otherwise indicated, references to "the Regulations" are to be read as collective references to the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area (ISBA/19/C/17, annex), the Regulations on Prospecting and Exploration for Polymetallic Sulphides in the Area (ISBA/16/A/12/Rev.1) and the Regulations on Prospecting and Exploration for Cobalt-rich Ferromanganese Crusts in the Area (ISBA/18/A/11).

Appendix I

Information to be contained in an application for extension of a contract for exploration

1. An application for extension of a contract for exploration shall consist of the following:

(a) A statement by the Contractor of the grounds upon which an extension of the contract for exploration is sought. Such statement shall state the duration of the extension sought (up to five years) and shall include either:

(i) Particulars of the reasons beyond the Contractor's control that have rendered it unable to complete the necessary preparatory work for proceeding to the exploitation stage; or

(ii) An explanation of the reasons why the prevailing economic circumstances do not justify proceeding to the exploitation stage, including an explanation as to whether the economic circumstances in question refer to global market conditions in general or to a feasibility assessment regarding the Contractor's own project;

(b) A detailed summary of the work carried out by the Contractor during the entire period of the contract to date and the results obtained measured against the approved plan of work for exploration. Such summary shall include:

(i) An estimation of mineral resources and/or reserves according to the reporting standards for the specific mineral resources as established by the Authority, and their spatial distribution within the exploration area;

(ii) A table summarizing all environmental baseline data collected in relation to the environmental variables listed in the relevant recommendations for the guidance of contractors;[a]

(iii) A complete list of all reports submitted to the Authority pursuant to the contract for exploration;

(iv) A complete inventory of all data and information submitted to the Authority pursuant to the contract for exploration;

(v) All data that have been requested by the Authority following the review of annual reports pursuant to the contract for exploration or that otherwise should have been submitted to the Authority pursuant to the contract, and that have not yet been supplied or have not been supplied in the format requested by or acceptable to the Authority;

(vi) A breakdown of expenditure pursuant to the contract for exploration, in accordance with the relevant recommendations for the guidance of contractors issued by the Legal and Technical Commission pursuant to the Regulations,[b] and identifying any deviation from the anticipated yearly expenditures during the period of the contract;

(vii) A summary of training provided pursuant to the contract for exploration;

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[a] ISBA/19/LTC/8.

[b] ISBA/21/LTC/11.

(c) A description and a schedule of the proposed exploration programme during the extension period, including a detailed programme of activities, showing any proposed modifications or additions to the approved plan of work for exploration under the contract, and a statement that during the extension period the Contractor will complete the necessary preparatory work for proceeding to the exploitation stage;

(d) Details of any proposed relinquishment of any part of the exploration area during the extension period, as may be necessary;

(e) A schedule of anticipated yearly expenditures in respect of the programme of activities for the extension period;

(f) A proposed training programme for the extension period in accordance with the relevant recommendations for the guidance of contractors issued by the Legal and Technical Commission pursuant to the Regulations.[c]

2. All data and information submitted in connection with the application for extension of the contract for exploration shall be submitted in hard copy and in a digital format specified by the Authority.

[c] ISBA/19/LTC/14.

Appendix II

Agreement between the International Seabed Authority and [Contractor] concerning the extension of the Contract for Exploration for [mineral resource] between the International Seabed Authority and [Contractor], dated [date]

The International Seabed Authority, represented by its Secretary-General (hereinafter referred to as "the Authority"), and [Contractor], represented by [...] (hereinafter referred to as "the Contractor"), agree that the Contract for Exploration for [mineral resource] between the Authority and the Contractor signed on [date] at [place] for a period of 15 years from [date of entry into force of original contract], together with related annexes, is extended for a period of [...] years to [date], subject to the following amendments.

1. Schedule 2 of the Contract shall be replaced by the programme of activities attached to this agreement as annex I.

2. Schedule 3 of the Contract shall be replaced by the training programme attached to this agreement as annex II.

3. The standard clauses referred to in operative paragraph 1 of the Contract shall be replaced by the standard clauses attached to this agreement as annex III,[a] which shall be incorporated into the Contract and shall have effect as if set out therein at length.

Subject to the above amendments, the Contract shall continue in all other respects with full force and effect. This amendment will enter into force on [date].

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by the respective parties, have signed this agreement at [place] this [date].

[a] In relation to the contracts due to expire in 2016 and 2017, this is a reference to annex IV to the Regulations on Prospecting and Exploration for Polymetallic Nodules in the Area, adopted by the Council on 22 July 2013 (ISBA/19/C/17, annex), as amended by ISBA/19/A/12.

International Seabed Authority ISBA/21/C/20

Council

Distr.: Limited
21 July 2015

Original: English

Twenty-first session
Kingston, Jamaica
13-24 July 2015

Decision of the Council of the International Seabed Authority relating to the summary report of the Chair of the Legal and Technical Commission

The Council of the International Seabed Authority,

Recalling its decision adopted on 23 July 2014,[1]

1. *Takes note with appreciation* of the summary report of the Chair of the Legal and Technical Commission on the work of the Commission during the twenty-first session;[2]

2. *Welcomes* the work done by the Commission to review the template for the annual reports of contractors and encourages all contractors to comply with the new recommendations for guidance on the format, content and structure of annual reports, as adopted by the Commission,[3] with effect from 1 January 2016;

3. *Calls the attention* of contractors to the issues raised and recommendations made by the Commission on the annual reports of the contractors, as set out in annex II to the summary report of the Chair of the Legal and Technical Commission;[1]

4. *Takes notes with appreciation* of the Commission's work on the framework for the exploitation regulations and *requests* the Commission to continue its work on exploitation regulations as a matter of priority;

5. *Endorses* the Commission's list of priority deliverables for the development of the exploitation code over the next 12 to 18 months, as set out in annex III to the report of the Chair of the Legal and Technical Commission;[1]

6. *Requests* the Commission to consider, as appropriate, the submission by the Netherlands in addressing serious harm to the marine environment in the Regulations for the exploitation of mineral resources in the Area in the context of its work on the preparation of draft regulations for exploitation in the Area;

[1] ISBA/20/C/31.
[2] ISBA/21/C/16.
[3] ISBA/21/LTC/15.

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7. *Recognizes* the importance of developing a data management strategy for the Authority and *requests* the secretariat to provide a draft management strategy and the financial implications of its implementation for consideration by the Commission at its February 2016 meeting;

8. *Notes* that the secretariat will prepare draft procedures on the handling of confidential data and information, as provided for in rule 12 of the rules of procedure of the Commission for consideration by the Commission at its next meeting in February 2016, and *reiterates its request* that the Commission submit procedures to the Council for consideration and approval not later than at its 2016 session;

9. *Recalls* that the Commission's report to the Council regarding the review of the implementation of the environmental management plan for the Clarion-Clipperton Zone is due to be delivered in 2016 and *requests* that a workshop to review the implementation of the plan be convened before the twenty-second session in 2016;

10. *Encourages* the Commission and the secretariat to make progress on the development of environmental management plans in other international seabed area zones, in particular where there are currently contracts for exploration, in line with the suggestion made by the United Nations General Assembly in paragraph 51 of its resolution 69/245;

11. *Encourages* all contractors to make their environmental data readily and publicly available;

12. *Notes* that the Commission has requested the secretariat to draft a stakeholder consultation and participation strategy for the Authority and *requests* the Commission to continue to explore initiatives to increase transparency and dialogue on the development of its work, in particular on issues of general interest to member States and other stakeholders of the Authority;

13. *Requests* the Secretary-General to ensure that adequate time and resources continue to be made available to support the work of the Commission, especially on priority issues;

14. *Also requests* the Secretary-General to update the Council on the implementation of the present decision at its twenty-second session in 2016.